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OSD:TBENNET

E.O. 12958: DECL: 01/02/2017  
TAGS: [ECON](#) [PARM](#) [PREL](#) [IAEA](#) [IZ](#)  
SUBJECT: TUWAITHA UPDATE: MEETING AT MOST -- GOI LETTER TO  
IAEA SIGNED

REF: A. A. STATE 163968  
[B. B. BAGHDAD 4126](#)  
[C. C. STATE 169324](#)  
[D. D. BAGHDAD 2454](#)  
[E. E. BAGHDAD 1787](#)  
[F. F. BAGHDAD 734](#)  
[G. G BAGHDAD 004227](#)

Classified By: Charles Ries, Economic Minister, for Reasons 1.4 (B), (D)  
) and (H)

1.(S) Summary: Energy Attach and staff met at the Ministry of Science and Technology with Deputy Ministers Dr. Samir (RAOUF) and Dr. Fauad (Al-Musawi) and Director General of National Monitoring Mohammed Jawad "AL SHARA". The purpose of the meeting was for NNSA to provide an overview of the activities the US Team at Tuwaitha to repackage and remove four irradiation sources and 550 metric tons of uranium yellow cake located on-site. In addition, Shara provided a copy of the GOI notification letter to the IAEA signed by him and stated that it had already been forwarded to the MFA for transmission to Vienna. MOST requested US assistance in purchasing a replacement irradiation capability. The US requested a written summary of the activities for which the replacement capability would be used in order to help determine the best option. MOST agreed to provide that information. While discussing next steps such as the MFA forwarding the GOI letter to the IAEA and appointment of an Iraqi to negotiate the sale of the yellow cake, MOST officials indicated that Surood (NAJIB) no longer held his post in the MFA.

#### IAEA Letter Provided

2.(S) Parks opened the meeting by thanking MOST for the excellent cooperation and support on-site for the US Team at Tuwaitha, citing specifically the access granted yesterday and today to remove the irradiation sources from Buildings 4 and 4A. Al-Musawi and Shara noted that they understood from the MOST representatives on-site that the work was going well. Boudreau presented the overview briefing and answered questions. Shara asked if the yellow cake was going to be stored at Area C or moved. When told it would be moved from C to B for storage awaiting shipment, he asked that the US provide a letter stating its intention to move the material from C to B and out of the Country. He also asked that we confirm that the repackaging would meet IAEA standards

because "that is what our letter says." Boudreau agreed to provide a letter and asked about the status of the GOI letter to the IAEA notifying the Agency that the seals on the bunker housing the yellow cake would be broken. Since the US had briefed Mr. Shara as requested and the briefing to MOST technical experts was ongoing at the site, could MOST send the letter. Shara replied that the letter to the IAEA was already completed, signed by MOST and sent to the MFA for transmission to Vienna. He then handed over a copy of the letter, signed by him (see para. 7). The US thanked him for his prompt action on the notification letter.

#### Replacing the Irradiation Sources with Substitute Non-nuclear Devices

3.(S) MOST would like US assistance to procure a replacement for the irradiation sources that are being removed. Deputy Director Raouf made the key points regarding the importance to Iraq to have such a capability in order to support agricultural programs. He stressed that Iraq wanted to replace the sources with something "safe." Raouf further stated that Mrs. Nawal (Director General for the MOST Directorate of Agricultural Research and Food Science) is preparing a letter for the MOST Minister to sign formally requesting US assistance for a replacement irradiation capability. Parks stated that the US would work with Iraq on this issue and requested that MOST provide a list of expected uses for the alternate sources (Comment: The US has requested this information several times before. End Comment) Al-Musawi and Shara agreed to provide the information.

#### Sell it All/Value of the Uranium

4.(S) All three Iraqi officials stressed that Iraq wants the yellow cake sale to include all of the items inventoried. After some clarifying discussion, it seemed that they meant all of the items containing uranium, not just the large quantity of relatively pure uranium. Recognizing that the details would be in the contract between Iraq and the international buyer, DOE has previously understood that the material inventory provided to potential buyers included various materials that would require significant investment to convert to a useable form. It is important to inform potential buyers that Iraq's goal is to have all of the material removed.

5.(SBU) Shara then noted that the price for the yellow cake was "easy" to estimate given the market price. Boudreau responded that while the spot price seemed to have stabilized, it could change significantly over time. In addition, he reminded Shara that none of the Tuwaitha material was in the form normally marketed (U3O8) as yellow cake. All of the material would require additional processing. The cost of that reprocessing would reduce the sale price. He stated that NNSA offers to act as technical advisor to Iraq regarding the uranium. Echoing the meeting held on 30 December with MOST Minister Fahmi (See Ref G BAGHDAD 004227), the US will work with Iraq to get the best value for the uranium, recognizing there must be some cost-sharing for the US repackaging and transporting the material.

#### Next Steps/Role of Najib in question

6.(S) In a discussion of next steps, DOE highlighted the need for the GOI to approve removal of the irradiation sources from Iraq and to designate an Iraqi representative to negotiate the commercial contract for the sale of the yellow cake. Raouf noted that "all interested parties" in the Iraqi Government will be properly informed to ensure the sale and transfer go smoothly and professionally. When DOE raised Surood Najib's name in the context of selecting a GOI representative to negotiate a sales contract and the MFA role in the transmitting the IAEA letter, Al-Musawi responded that Najib had different responsibilities; Najib's former office would still transmit the notification letter to the IAEA.

7.(SBU) Text of GOI Letter to the IAEA:

Ministry of Science and Technology  
Iraqi National Monitoring Directorate  
Baghdad-IRAQ

Mr. Neville Whiting

Confidential

Date: 2 Jan. 2008

Acting Director, Operation B

Dept. of Safeguards

IAEA-Vienna

Sir:

Please be informed that the United States will begin repacking 550 MT of yellow cake at (IQY) location (C) Tuwaitha site in the near future. We request the IAEA grant approval to break the seals needed to access the material to start the repacking process. The United States will return the seals as instructed by the IAEA. We are very pleased with the level of support and cooperation by the IAEA in the ensuring this effort is consistent with all safeguards requirements.

Accept, Sir my highest consideration.

Cc: Mr. Herman Nackaerats, Director Operation B

Mr. Laure Pedraza, Operation B

Mr. Walter Veia-Espirnboza, Operation B

Mohammed Al Sharaa  
D.G. INMD  
Baghdad-Iraq

18. (U) Attendees

GOI

Dr. Samir (RAOUF), Deputy Minister

Dr. Fauad (Al-Musawi), Deputy Minister

Mohammed Jawad "AL SHARA", Director General of National Monitoring

Sundus Ahmed "MOUSA", Head of Computer & Administration

US

Edgar Parks, Energy Attach

Robert Boudreau, Senior NNSA Representative

Albert Walgreen, DOE Staff

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